

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EDMONSON COUNTY WATER)	
DISTRICT, EDMONSON COUNTY, KENTUCKY, FOR)	
A CERTIFICATE OF CONVENIENCE AND NECESSITY)	
AUTHORIZING SAID DISTRICT TO CONSTRUCT)	
ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO)	
ITS EXISTING MUNICIPAL WATER DISTRIBUTION)	CASE NO.
SYSTEM PURSUANT TO THE EXPRESS PROVISIONS)	90-003
OF CHAPTER 74 OF THE KENTUCKY REVISED)	
STATUTES; SEEKING APPROVAL FOR THE)	
ISSUANCE OF CERTAIN SECURITIES AND THE)	
RECEIPT OF CERTAIN GRANTS; AND SEEKING TO)	
CONTINUE THE SAME SERVICE RATE AND CHARGES)	
UNLESS CHANGES ARE FOUND TO BE NECESSARY)	

O R D E R

On January 2, 1990, Edmonson County Water District ("Edmonson Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$712,830 waterworks improvement project and for approval of its plan of financing for this project. This project will provide service to 229 additional customers. Project funding includes a \$360,480 loan from the Kentucky Infrastructure Authority ("KIA"), a \$340,000 Community Development Block Grant from the U.S. Department of Housing and Urban Development ("HUD"), and \$12,350 from applicants for service in the proposed project area. The loan will be for a 20-year period at an interest rate of 8 percent per annum.

Edmonson Water's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between water districts and HUD and to issue the necessary orders to

implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. The minimum filing requirements were met in this case on January 2, 1990. Pursuant to KRS 278.023, the Commission has no discretionary authority to modify or reject any portion of this application.

IT IS THEREFORE ORDERED that:

1. Edmonson Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Edmonson Water's proposed plan of financing with KIA and HUD is accepted.

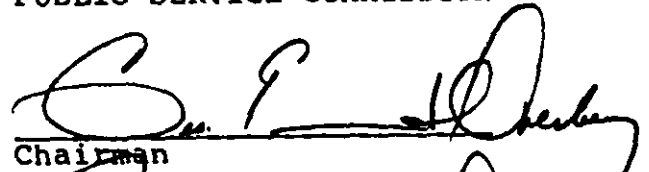
3. Edmonson Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

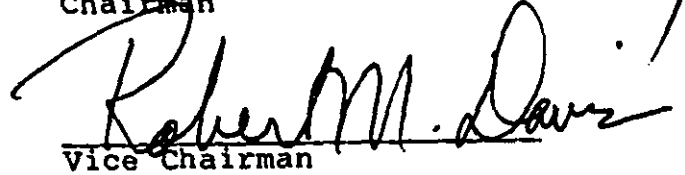
4. Edmonson Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 6(1), Edmonson Water shall take immediate action to bring the system into compliance with Commission regulations.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 1st day of February, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director